

Analysis of Finance Advisory Committee
Meeting Items

October 7, 2010 Agenda

OFFICE OF FISCAL ANALYSIS

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FAC 2011-1 Governor's Office

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post-FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	2,405,378	(19,296)	(100,000)	-	2,286,082
Other Expenses	134,660	(37,103)	-	100,000	197,557
TOTAL			(100,000)	100,000	

Funding is available for transfer from these accounts due to the following:

- Personal Services- Lower than anticipated expenditures.

Funding is needed in these accounts due to the following:

- Other Expenses- Requested funding for transition expenses for potential items such as computer reformatting, stationery, office equipment, and other items. Funding for this purpose was not provided in the Revised FY 11 budget. It should be noted that CGS 4-80 makes \$25,000 available to the Governor-elect for transition expenses; however, this funding is not anticipated to be required with this transfer.

Holdback and Lapses

The transfers in this FAC do not affect the holdbacks in the Personal Services or Other Expenses accounts.

¹ Prior policy actions may include holdbacks (forced lapses), rescissions, de-appropriations, transfers, and carry forwards.

FAC 2011-2 Department of Social Services

Account	Original Appropriation	Prior Policy Actions	Proposed FAC Transfer		Available Funding Post-FAC Action
			FROM (Decrease)	TO (Increase)	
State Administered General Assistance	323,265,000	18,366,064	(200,000,000)	-	141,631,064
Community Services	3,039,013	-	(303,407)	-	2,735,606
Housing/Homeless Services	50,399,357	-	(175,000)	-	50,224,357
Services to the Elderly	4,692,848	-	(99,693)	-	4,593,155
School Readiness	4,619,697	-	(57,930)	-	4,561,767
Medicaid	3,845,692,225	16,379,477	-	200,636,030	4,062,707,732
TOTAL			(200,636,030)	200,636,030	

Funding is available for transfer from these accounts due to the following:

- State Administered General Assistance (SAGA)- The federal Patient Protection and Affordable Care Act (federal health care reform) allowed the state to expedite the enrollment of SAGA clients in the Medicaid program, thereby garnering federal reimbursement for these expenditures. However, due to the timing of the federal legislation, the funds for these services were included in the SAGA rather than the Medicaid account.
- Community Services- The cancellation of a contract with Camp Courant (\$248,407), as well as a reduction in funding for the Fatherhood Initiative (\$55,000) to the minimum amount required for a federal match, results in \$303,407 available to be transferred.
- Housing/Homeless Services- Funding for the Special Projects sub-account is reduced from \$332,090 to \$157,090. This funding provides child care for parents while they are searching or interviewing for a job, while in a homeless shelter. In FY 10, DSS contracted with one vendor (CT Coalition to End Homelessness) for \$75,000 instead of three vendors for a total of \$300,000. The CT Coalition to End Homelessness is funded at \$125,000 in FY 11.
- Services to the Elderly- The Elderly Health Screenings funding is reduced (from \$330,266 to \$230,573) to the FY 10 expenditure level.
- School Readiness - A 5% reduction to the School Readiness enhancement grant that goes to the State Department of Education results in \$57,930 available to be transferred.

Funding is needed in these accounts due to the following:

- Medicaid- As discussed above, medical services for SAGA clients are now provided under the Medicaid account, necessitating the \$200 million technical transfer from the SAGA account.

Holdback and Lapses

The transfers in this FAC do not affect the holdbacks in the Personal Services or Other Expenses accounts.

Budget Issues

The FY 11 revised budget included several major savings initiatives under Medicaid that may not be fully achieved in the current fiscal year. These include: converting the HUSKY program to an administrative service organization (ASO) model (budgeted savings of \$76,666,000), enhancing care management for the Aged, Blind and Disabled (budgeted savings of \$60,000,000), and enhanced efforts to increase audit recoveries and combat fraud (budgeted savings of \$31,950,000). In addition, Medicaid caseloads continue to show significant growth (2,700 HUSKY A clients were added in September).

Questions

1. Why was the contract with Camp Courant not renewed?
2. Can you provide further detail regarding the various reductions (Special Projects sub-account, Fatherhood Initiative, School Readiness enhancement grant)? For example, are the reductions a result of caseload decrease? Savings from contract negotiations? Reduced type or number of services?
3. Are there other grant accounts that are anticipated to yield similar savings?

FAC 2011-3 Department of Correction

Account	Original Appropriation	Prior Policy Actions	Proposed FAC Transfer		Available Funding Post-FAC Action
			FROM (Decrease)	TO (Increase)	
Children of Incarcerated Parents	350,000	-	(240,000)	-	110,000
Mental Health AIC	60,000	(39,770)	-	240,000	260,230
TOTAL			(240,000)	240,000	

Funding is available for transfer from these accounts due to the following:

- Children of Incarcerated Parents- The original FY 11 Budget provided \$700,000 for the Children of Incarcerated Parents account in DOC. However, the Revised FY 11 budget moved \$350,000 of this amount to the Judicial Department and inadvertently left the remainder under the DOC's budget. No expenditures have been made under this account to date, nor have commitments been made against these funds.

Funding is needed in these accounts due to the following:

- Mental Health AIC- To allow the DOC to contribute \$260,230 to the Advanced Supervision and Intervention Support Team (ASIST) initiative (formerly known as the Mental Health Alternative to Incarceration program). This is \$39,770 less than the \$300,000 expended by the DOC for this same purpose in FY 10, reflecting the imposition of an outside consultant contract lapse against this line item. Without this transfer, the DOC's FY 11 contribution to the ASIST initiative would be \$20,230.

Holdback and Lapses

No holdbacks or budgeted lapses have been imposed upon the Children of Incarcerated Parents account.

Appendix A: Projected Account Balances for Agencies on This Agenda (After Proposed FAC Transfer(s))

Governor's Office				
	<u>Appropriation</u> ²	<u>Available Funding</u> ³	<u>Estimated Expenditures</u>	<u>Estimated Surplus/(Deficiency)</u>
Personal Services	2,405,378	2,286,082	2,286,082	-
Other Expenses	134,660	197,557	197,557	-
Equipment	1	1	-	1
New England Governors' Conference	100,692	100,692	100,692	-
National Governors' Association	119,900	119,900	90,000	29,900
TOTAL	2,760,631	2,704,232	2,674,331	29,901

Department of Social Services				
	<u>Appropriation</u>	<u>Available Funding</u>	<u>Estimated Expenditures</u>	<u>Estimated Surplus/(Deficiency)</u>
Personal Services	109,804,483	108,923,628	107,316,212	1,607,416
Other Expenses	87,252,393	77,925,532	99,022,239	(21,096,707)
Equipment	1	1	1	-
Children's Trust Fund	13,173,147	13,173,147	13,132,430	40,717
Children's Health Council	218,317	191,185	191,185	-
HUSKY Outreach	335,564	335,564	335,564	-
Genetic Tests in Paternity Actions	191,142	191,142	191,142	-
State Food Stamp Supplement	816,357	816,357	1,057,038	(240,681)
Day Care Projects	478,820	478,820	478,820	-
HUSKY Program	37,912,000	37,912,000	36,902,105	1,009,895
Charter Oak Health Plan	17,350,000	17,350,000	18,964,962	(1,614,962)
Vocational Rehabilitation	7,386,668	7,386,668	7,386,668	-
Medicaid	3,845,692,225	4,062,707,732	4,235,137,360	(172,429,628)
Lifestar Helicopter	1,388,190	1,388,190	1,388,190	-
Old Age Assistance	34,955,566	34,955,566	36,078,894	(1,123,328)
Aid to the Blind	729,000	729,000	798,454	(69,454)
Aid to the Disabled	61,575,424	61,575,424	62,414,220	(838,796)
Temporary Assistance to Families - TANF	130,358,385	130,358,385	119,962,670	10,395,715
Emergency Assistance	475	475	-	475
Food Stamp Training Expenses	12,000	9,923	9,923	-

² Includes appropriated accounts from all appropriated funds.

³ Includes all anticipated and enacted holdbacks (forced lapses), rescissions, de-appropriations, transfers, and carry forwards.

Connecticut Pharmaceutical Assistance Contract to the Elderly	9,488,700	9,488,700	10,584,557	(1,095,857)
Healthy Start	1,490,220	1,490,220	1,490,220	-
DMHAS-Disproportionate Share	105,935,000	105,935,000	105,935,000	-
Connecticut Home Care Program	74,850,000	74,850,000	68,322,735	6,527,265
Human Resource Development-Hispanic Programs	1,040,365	1,040,365	1,040,365	-
Services to the Elderly	4,692,848	4,593,155	4,593,155	-
Safety Net Services	2,100,897	2,100,897	2,100,897	-
Transportation for Employment Independence Program	3,155,532	3,155,532	3,155,532	-
Transitory Rental Assistance	572,680	572,680	572,680	-
Refunds of Collections	177,792	177,792	177,792	-
Services for Persons With Disabilities	660,544	660,544	660,544	-
Child Care Services-TANF/CCDBG	103,415,536	103,415,536	107,900,473	(4,484,937)
Nutrition Assistance	447,663	447,663	447,663	-
Housing/Homeless Services	50,399,357	50,224,357	49,753,529	470,828
Employment Opportunities	1,169,810	1,169,810	1,169,810	-
Human Resource Development	38,581	38,581	38,581	-
Child Day Care	10,617,392	10,617,392	10,617,392	-
Independent Living Centers	643,927	643,927	643,927	-
AIDS Drug Assistance	606,678	606,678	606,678	-
Disproportionate Share-Medical Emergency Assistance	51,725,000	51,725,000	51,725,000	-
DSH-Urban Hospitals in Distressed Municipalities	31,550,000	31,550,000	31,550,000	-
State Administered General Assistance	323,265,000	141,631,064	141,631,064	-
School Readiness	4,619,697	4,561,767	4,561,767	-
Connecticut Children's Medical Center	11,020,000	11,020,000	11,020,000	-
Community Services	3,039,013	2,735,606	2,735,606	-
Alzheimer Respite Care	2,294,388	2,294,388	2,294,388	-
Human Service Infrastructure Community Action Program	3,798,856	3,798,856	3,798,856	-
Teen Pregnancy Prevention	1,527,384	1,527,384	1,527,384	-
Child Day Care	5,263,706	5,263,706	5,263,706	-
Human Resource Development	31,034	31,034	31,034	-
Human Resource Development-Hispanic Programs	5,900	5,900	5,900	-
Teen Pregnancy Prevention	870,326	870,326	870,326	-
Services to the Elderly	44,405	44,405	44,405	-
Housing/Homeless Services	686,592	686,592	686,592	-

Community Services	116,358	116,358	116,358	-
	475,000	475,000	475,000	-
TOTAL	5,161,466,338	5,185,974,954	5,368,916,993	(182,942,039)

Department of Correction				
	<u>Appropriation</u>	<u>Available Funding</u>	<u>Estimated Expenditures</u>	<u>Estimated Surplus/(Deficiency)</u>
Personal Services	393,636,757	431,844,522	431,844,522	-
Other Expenses	80,600,230	64,167,324	75,571,762	(11,404,438)
Equipment	1	1	-	1
Stress Management	-	91,317	91,317	-
Workers' Compensation Claims	29,898,513	29,898,513	31,944,813	(2,046,300)
Inmate Medical Services	98,624,298	98,624,298	98,624,298	-
Parole Staffing and Operations	6,197,800	6,096,393	6,096,393	-
Mental Health AIC	60,000	260,230	260,230	-
Distance Learning	10,000	10,000	10,000	-
Children of Incarcerated Parents	350,000	110,000	-	110,000
Aid to Paroled and Discharged Inmates	9,500	9,500	5,000	4,500
Legal Services to Prisoners	870,595	680,925	870,595	(189,670)
Volunteer Services	170,758	125,138	125,138	-
Community Support Services	40,370,121	40,370,121	40,180,451	189,670
TOTAL	650,798,573	672,288,282	685,624,519	(13,336,237)